



COPYRIGHT ROYALTY TRIBUNAL
UNITED STATES OF AMERICA

1111 20th Street, N.W.
Washington, D.C. 20036
(202) 653-5175

COMMISSIONERS:
Thomas C. Brennan
Douglas E. Coulter
Mary Lou Burg
Clarence L. James, Jr.
Frances Garcia

May 1, 1980

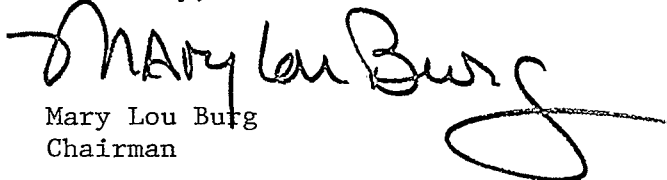
Mr. Jonathan Strong
Ripsaw Records
121 N 4th Street
Easton, PA 18042

Dear Mr. Strong:

Thank you for your letter of April 22, 1980 expressing your views on the royalty rates for making and distributing phonorecords. I have given the other commissioners a copy of your letter and we will take your views into consideration next week when the hearings begin regarding this matter.

Thank you for taking the time to write the Tribunal.

Sincerely,


Mary Lou Burg
Chairman



April 22, 1980

121 N. 4TH ST., EASTON, PA. 18042 (215) 258-5920
NEW YORK OFFICE: 5-J, 320 W. 30TH ST. 10001 (212) 564-3246

Mary Lou Burg
Chairman
Copyright Royalty Tribunal
1111 20th St., N.W.
Washington, DC 20036

Dear Chairman Burg,

We are a very small independent record label. There are many like us in the business, but our survival rate is not high. Nevertheless, we serve an important function for the industry by introducing new artists and new songs by unknown songwriters. In our own case we have released four singles in the past 16 months, including four previously unpublished songs by two unknown songwriters. We intend to release another single in the next month which also will have one song on it by an unknown songwriter.

It is our experience that while songwriters who are beginning in the business would love to make a high royalty rate right off the bat, they are primarily interested in getting some exposure for their works and building a reputation in the industry so that they might find more rewarding markets, i.e., bigger record companies with known artists, for their songs later on.

For the many small independent companies such as ours, which are constantly on the edge of survival, to be required to pay the proposed songwriter royalty rates of 6 $\frac{1}{2}$ -8% of the retail price of phonograph records would be tantamount to telling us - GO OUT OF BUSINESS! While this might benefit the established songwriters, we believe it would be harmful to the many beginning songwriters and would work to the detriment of the industry as a whole, as it would result in the industry tending to be much less dynamic.

We are not opposed in general to songwriters receiving much more for their works and the pleas of the major record companies regarding their financial trials and tribulations do not evoke any sympathy from us, as they do their best to stifle companies such as ours. We believe, however, that a songwriter's royalties should increase in size as the success of a record of his or her song is established. For example, we believe the current rate is fair until a record company sells a certain number of copies of the record, say 40,000, at which time a higher royalty rate, say 6% of the retail price, would be required. There could be one break point as in the example or several. We believe that such a step system would be the fairest way of insuring that songwriters get the better remuneration they deserve for their works without eliminating the many companies such as ours which so often provide the entryway into the industry for so many songwriters.

Thank you for your consideration of our views.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jonathan Strong", followed by a stylized flourish or set of initials.
Jonathan Strong